

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 675-01
BILL NO.: SB - 215
SUBJECT: Returned Checks
TYPE: Original
DATE: January 30, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Counties	Unknown	Unknown	Unknown

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Economic Development - Divisions of Finance and Credit Unions** assume the proposal would have no fiscal impact on their agencies.

Officials of the **Office of Prosecution Services** assume that the proposal would increase fees collected by county prosecutors for bad checks.

Officials of the **St.Louis City Circuit Attorney's Office** stated that they expect an increase in revenue over a year to year period and estimates the increase to be approximately \$290,000. Officials stated that they made their estimates based on data detailing the number of checks their office collected in calendar year 2000. Officials stated that in making their calculations they assumed there would be a 33% loss in defendant restitution due to the raised AHC fee. Officials stated if the AHC fee were raised and does not result in a decrease in immediate restitution by defendants upon demand, there would be no additional cost. Officials stated if there would be a lag in the non-restitution cases there would eventually become cases within the criminal system, resulting in an increase in the costs of attorney and clerical personnel. Officials stated they believe administrative impact would not be substantial.

Officials of the **Office of State Courts Administrators** stated there would be no fiscal impact on the Courts.

Oversight assumes that the proposal would increase the fees assessed by prosecuting or circuit attorneys on returned checks, and that counties would consequently collect additional revenues from such fees. The amount of increased collections cannot be reasonably determined.

	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>FISCAL IMPACT - State Government</u>	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
COUNTIES			
<u>Income-increased fees for bad checks</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

L.R. NO. 675-01
BILL NO. SB- 215
PAGE 3 OF 3
January 30, 2001

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This act increases the administrative handling costs that prosecuting attorneys or circuit attorneys may collect from issuers of bad checks. It allows collection of three times the amount of the bad check or one hundred dollars, whichever is greater, up to five hundred dollars. Current charges are five dollars for checks of less than ten dollars, ten dollars for checks of ten dollars but less than one hundred dollars, and twenty-five dollars for checks of one hundred dollars or more.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development - Divisions of Finance and Credit Unions
Office of Prosecution Services
Office of State Courts Administrator
Office of the St.Louis City Circuit Attorney's Office



Jeanne Jarrett, CPA
Director
January 30, 2001